

DEPARTMENT OF
ECOLOGY
State of Washington

Water Quality Program Financial Assistance State Fiscal Year 2017 Applicant Training Workshops



Contact Information

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WELCOME!!

- Facility basics

- Ecology staff/supervisors

- Attendees



Today's Schedule



- ~9:00 Program Overview
- ~9:45 EAGL (Ecology Administration of Grants & Loans) – Roles & Responsibilities; Q/A
- ~10:15 Break
- ~10:30 Breakout Sessions (project eligibility; key considerations when applying; application prerequisites):
 - Applicants with facility projects seeking CWSRF loans/Centennial hardship grants
 - Applicants with stormwater projects not required by permit seeking SFAP grants
 - Applicants with nonpoint activities projects seeking Section 319/Centennial grants
- ~1:00 Done

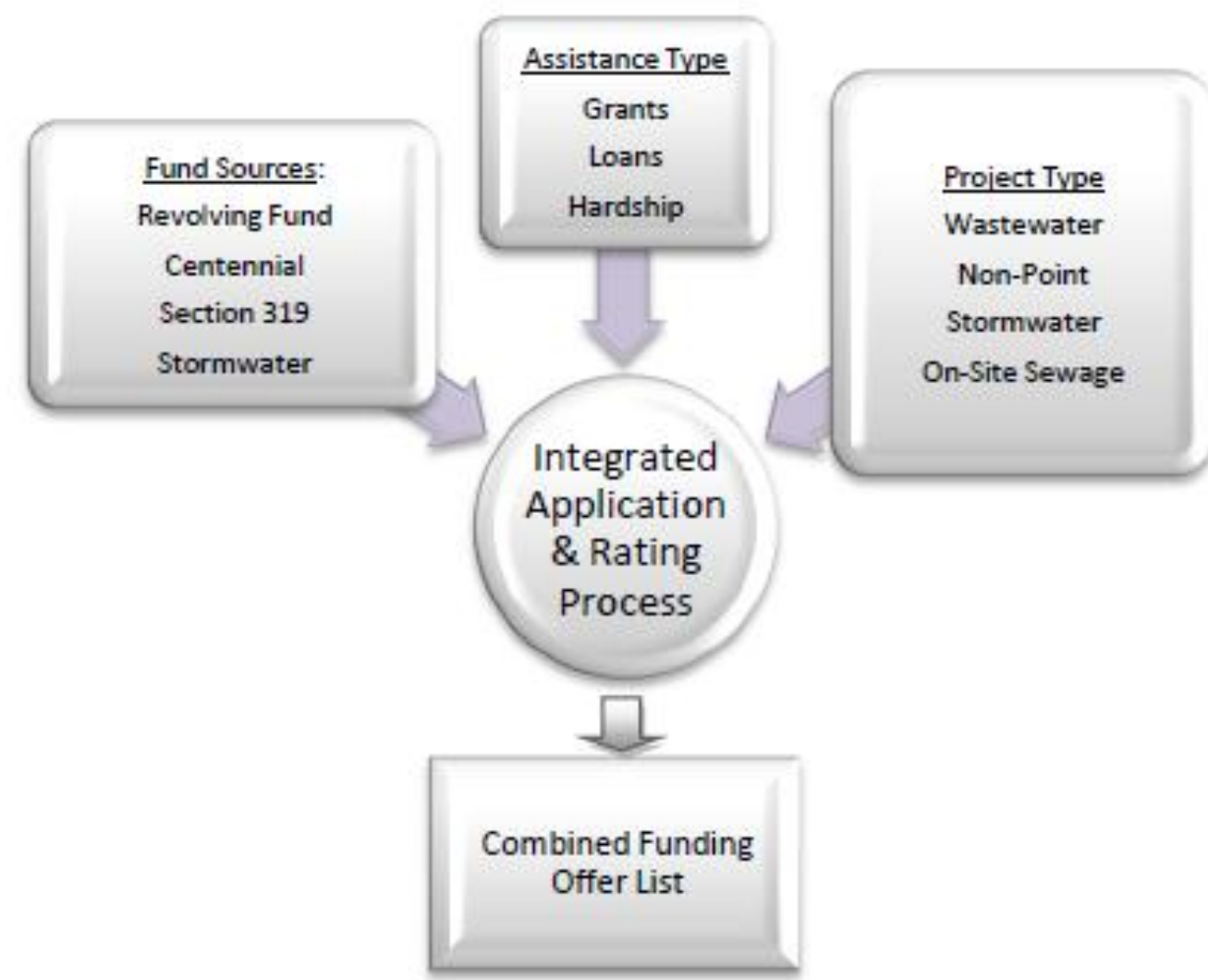


Funding Sources

Water Pollution Control Revolving Fund	CWSRF
Stormwater Financial Assistance Program	SFAP
Centennial Clean Water Program	Centennial
Clean Water Act Section 319 Program	Section 319



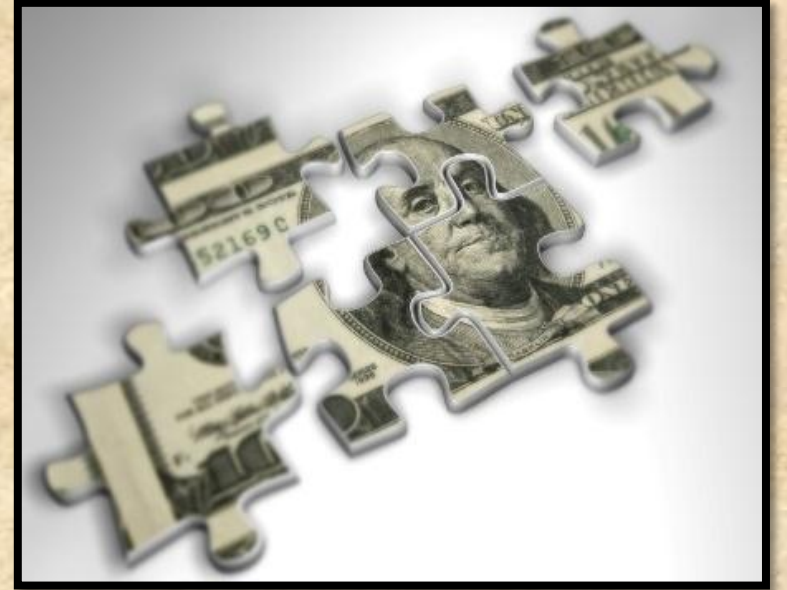
Integrated Funding Program





Clean Water State Revolving Fund

- **Subsidized loan program**
- **Funded through:**
 - **Federal grants**
 - **20% state match**
 - **Repaid principal & interest**
- **Funds facilities & activities projects**
- **Eligible applicants:**
 - **Public bodies**





CWSRF Interest Rates

SFY17 CWSRF Interest Rates

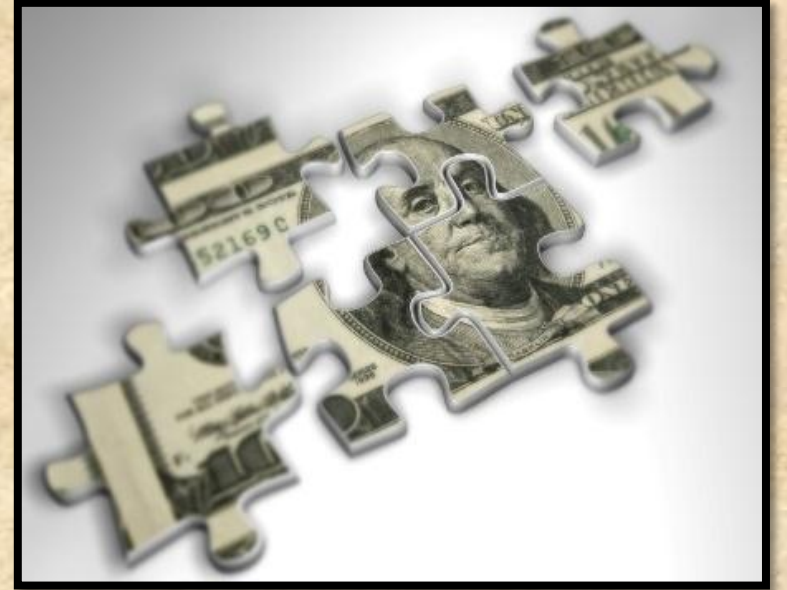
6-20 year loans	2.0% (60% of MR*)
1-5 year loans	1.0% (30% of MR)

*** MR = average Market Rate for tax-exempt municipal bonds**



Stormwater Financial Assistance Program

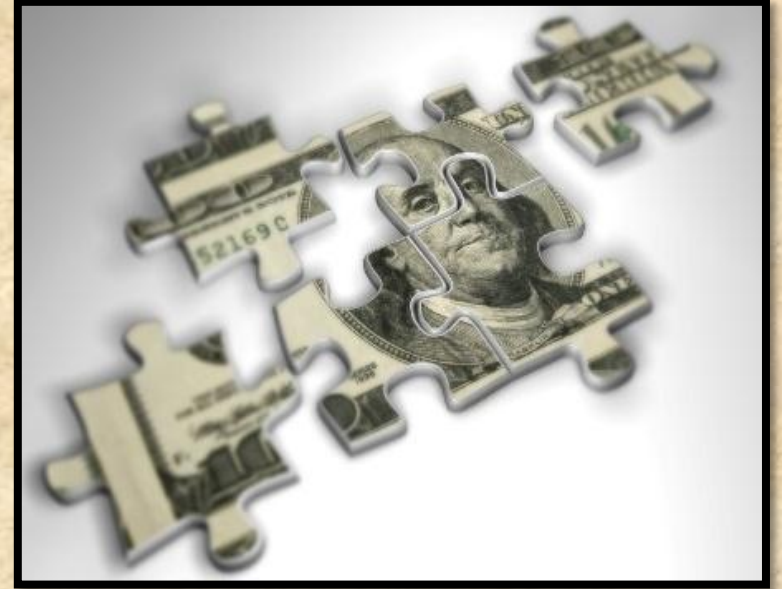
- State grant program
- Funded from state sources
- Funds stormwater projects not required by NPDES permits
- 2nd year in the integrated program
- Eligible applicants:
 - Cities, counties, port districts





Centennial Clean Water Program

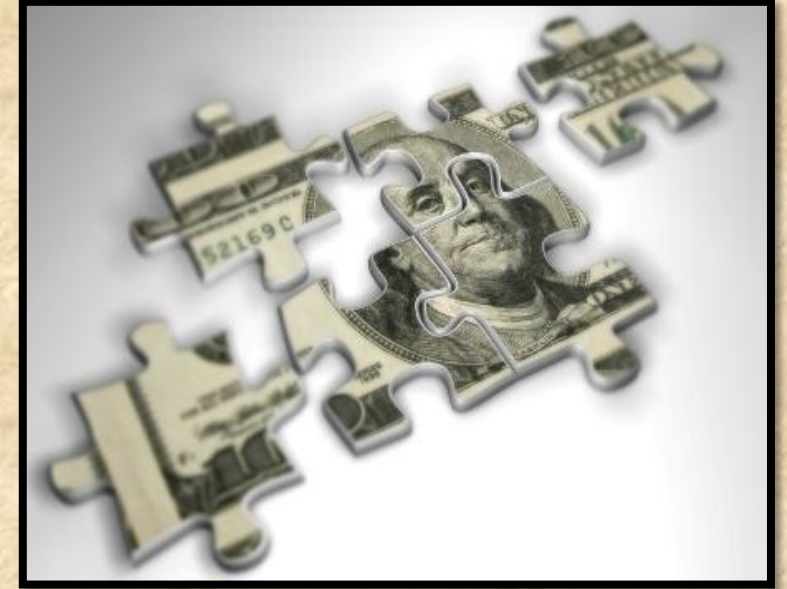
- **State grant program**
- **Funded from state sources**
- **Funds hardship wastewater facility construction & nonpoint activities projects**
- **Eligible applicants:**
 - **Public bodies**





Section 319 Program

- **Funded through:**
 - **Federal grant**
 - **40% state match**
- **Funds nonpoint source pollution control activities projects**
- **Eligible applicants:**
 - **Public bodies**
 - **Non-profits**





Who is Eligible to Apply?

- **Local Governments**
- **Federally Recognized Tribes**
- **Special Purpose Districts**
- **Non-profits (Section 319 only)**

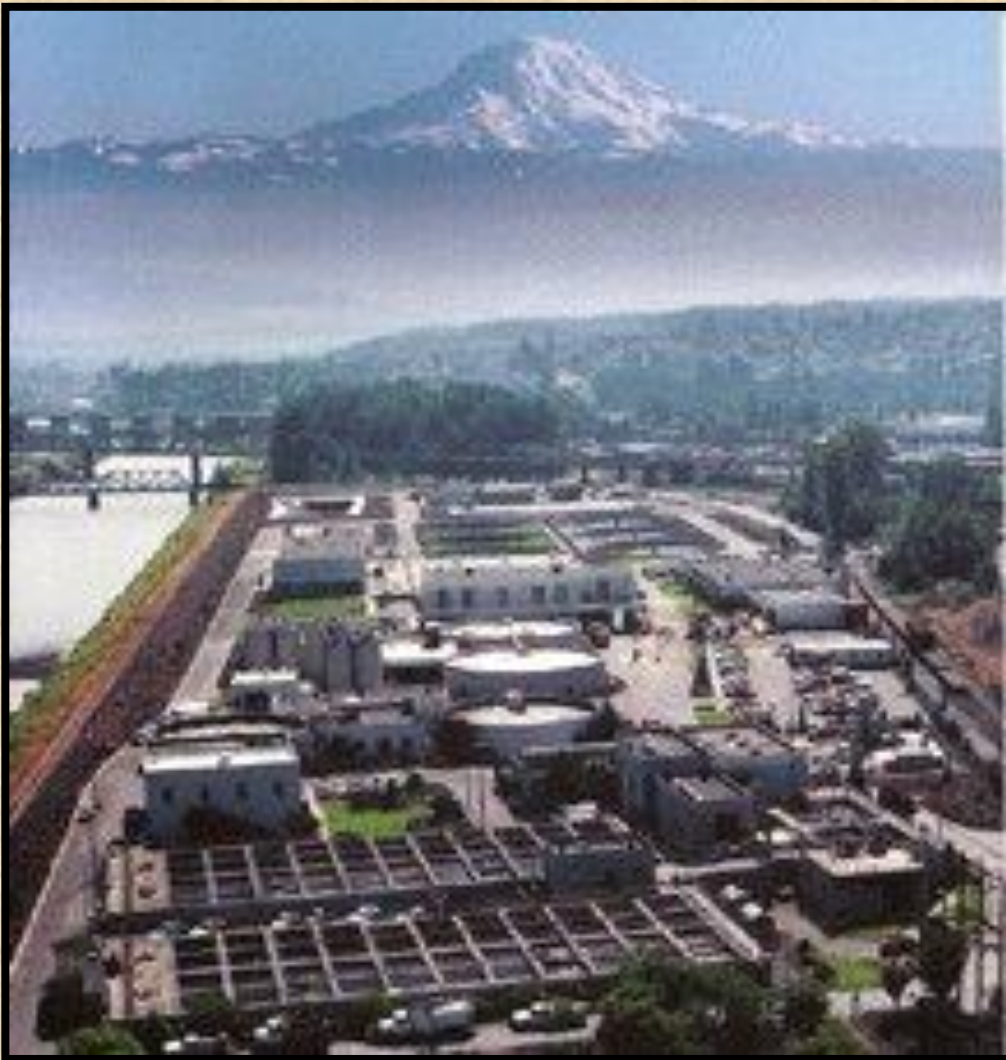


Types of Projects Funded

- **Wastewater Facility Projects**
- **Stormwater Facility Projects**
- **Stormwater Activity Projects**
- **Nonpoint Source Activity Projects**
- **Onsite Sewage System Projects**
- **Plus, special categories:**
 - **Financial hardship for wastewater facility construction**
 - **Facility preconstruction**
 - **Green Project Reserve (GPR)**



Wastewater Facilities Projects



- Eligible for CWSFR & Centennial (hardship construction)

■ Examples:

➤ Planning

- Comprehensive sewer planning
- Site-specific planning
- Environmental review
- Value engineering
- Feasibility studies

➤ Design

➤ Construction (including administration, limited change orders, limited bid overruns, supplies/tools)

- Upgrades, expansion, new
- Collection sewers & pump stations
- Infiltration & inflow (I&I) correction
- Combined sewer overflow (CSO) abatement
- Large onsite systems (LOSS)



Stormwater Facility Projects



■ Eligible for CWSRF & SFAP (if not required by permit)

■ Examples:

- Planning, design, & construction of stormwater infrastructure
- Implementation of low impact development (LID) techniques
- Projects required by a stormwater NPDES permit
 - CWSRF-only



Stormwater Activity Projects

■ Eligible for CWSRF & SFAP (if not required by permit)

■ Examples:

- Land use/stormwater management planning
- Review of existing local stormwater regulations
- New BMP development & assessment through the Ecology TAPE program (loan only)
- Inventorying & mapping stormwater sources & infrastructure
- Education & outreach
- Inspections of privately-owned stormwater treatment facilities installed prior to being required by a Municipal NPDES permit
- Purchase & operation of high efficiency/regenerative air sweepers
- Legacy pollutant source identification, tracing & removal
- Projects required by a stormwater NPDES permit
 - CWSRF-only





Onsite Sewage System Projects



- Eligible for CWSRF & Centennial

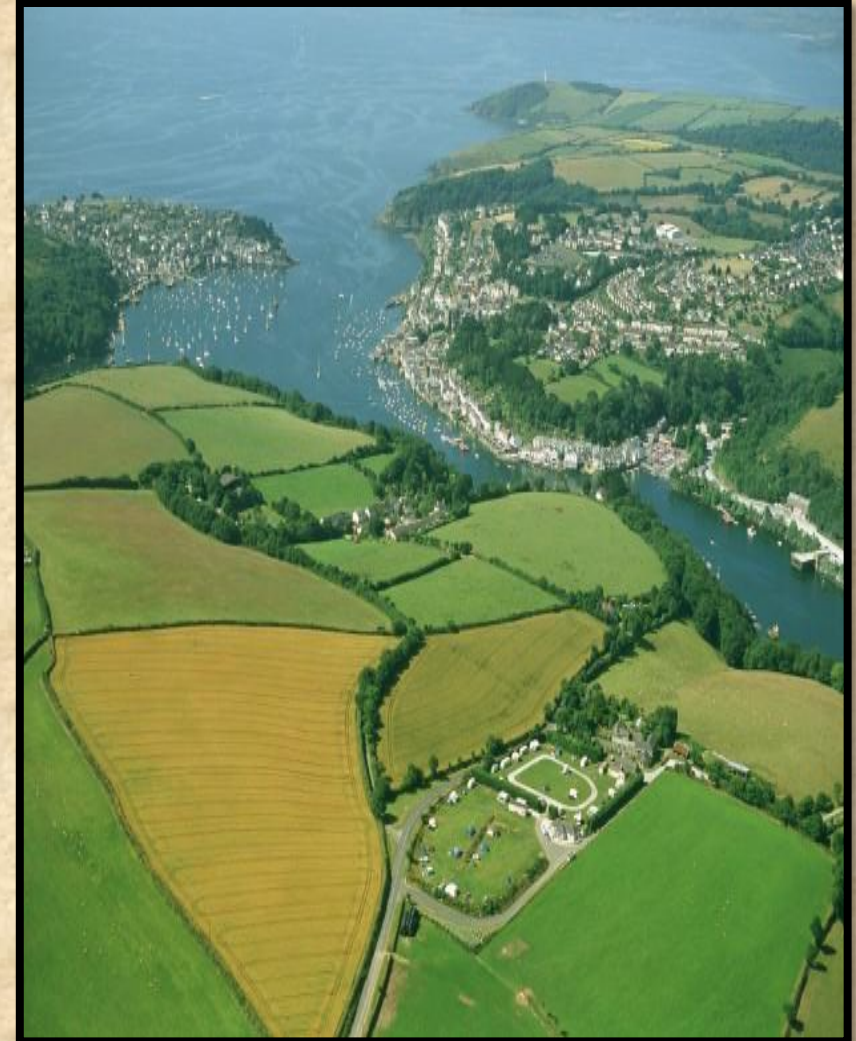
- Example projects:

- Planning, surveys, public education & outreach
- Local loan programs for repair & replacement of residential & small commercial systems



Nonpoint Source Activities Projects

- Eligible for CWSFR, Centennial & Section 319
- Examples:
 - Implementation of approved best management practices (BMPs)
 - Public outreach & education
 - Lake/riparian/wetland restoration
 - Groundwater/aquifer/wellhead protection
 - Total Maximum Daily Load (TMDL) support
 - Water quality monitoring





Generally Ineligible Projects

- Non clean-water projects (e.g., roads, bridges, drinking water systems)
- Exclusively industrial projects
- Water quantity
- Flood control (unless clear water quality impact)
- Operation, maintenance, & repair costs



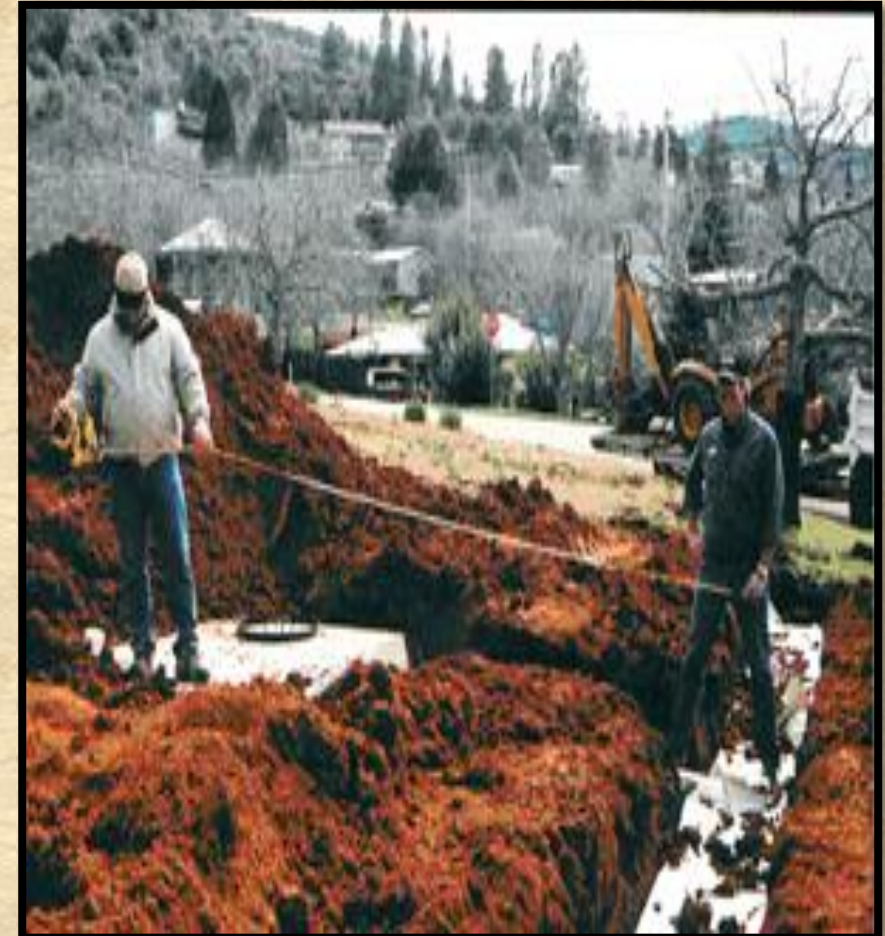
CWSRF & Centennial: Hardship – Wastewater Facility Construction

- For wastewater facility construction projects in smaller, financially distressed communities
- Criteria:
 - $\leq 25,000$ people
 - Sewer fees for existing residential ratepayer $\geq 2\%$ of median household income (MHI) without subsidy
- For existing residential need
 - Standard loan for rest of project
- Subsidy options:
 - Centennial grant
 - Forgivable principal loan
 - Further reduced interest rates – down to 0%



CWSRF & Centennial: Hardship – OSS

- For local loan repair & replacement program
- A combination of grants & subsidized loans
 - Grants up to \$500K
 - Final interest rate reduced if loans are predominantly to homeowners with incomes <80% of the county MHI





CWSRF: Preconstruction & Hardship

■ For wastewater/stormwater facility projects in small, less affluent communities

- Comprehensive sewer planning
- Feasibility studies
- Site-specific facility planning
- Environmental review
- Value engineering
- Pre-design reports
- Design

■ Criteria for funding:

- $\leq 25,000$ population
- $MHI \leq \text{State MHI}$

■ Criteria for hardship (up to 50% forgivable principal):

- $\leq 25,000$ population
- $MHI \leq 80\% \text{ State MHI}$



SFAP: Hardship

■ Criteria:

- Service area population $\leq 25,000$
- MHI $\leq 80\%$ State MHI

■ Subsidy:

- Match reduced from 25% to 15%



Green Project Reserve (GPR)



- EPA requires 10% of the Cap Grant for CWSRF be directed to GPR projects
- Can be a stand-alone or part of a larger project
- Must be eligible for CWSRF funding, willing to accept a loan, & meet EPA's criteria for:
 - Green Infrastructure
 - Energy Efficiency
 - Water Efficiency
 - Environmentally Innovative
- May include 25% forgivable principal loan



Estimated Funding¹

Source	SFY16	SFY17
CWSRF Loans	\$143 million	\$100 million ²
SFAP Grants	\$66 million	\$50 million
Centennial Grants	\$21.4 million	\$0 million ³
Section 319 Grants	\$1.6 million	\$1.5 million ⁴

1 = Subject to change pending state and federal appropriations

2 = Based partially on the Federal Fiscal Year 2015 Capitalization Grant

3 = In the 2015-17 Biennium Budget, the Legislature appropriated only enough Centennial funding to cover SFY16 Centennial-funded projects. At the time of publication, there is \$0 Centennial funds available for SFY17 unless the Legislature provides additional funding in the 2016 Supplemental Budget.

4 = Based partially on the Federal Fiscal Year 2015 Federal Grant



SFY17 Estimated Set-asides

CWSRF	\$100,000,000
10% of Federal Grant for GPR (Facility or Activity)	\$2,500,000
75% for Facility Loans	\$75,000,000
20% for Nonpoint Activity Loans	\$20,000,000
5% for Preconstruction Loans	\$5,000,000
Additional Subsidization (Forgivable Principal)	\$0 - \$7,000,000
SFAP	\$50,000,000
100% for Stormwater Grants to Cities, Counties & Ports	\$50,000,000
Centennial	\$0
33% for Hardship Facilities Grants	\$0
33% for Nonpoint Source Activities Grants	\$0
33% Competitive Grants	\$0
Section 319	\$1,500,000
100% for Nonpoint Source Activities Grants	\$1,500,000



Funding Caps

CWSRF Loans

50% of the funding in any category per applicant

20% of Preconstruction set-aside per applicant

SFAP Grants

\$5 million per applicant

\$250,000 per planning or design project (counts against the \$5M)

Centennial Hardship Facility Construction Subsidy

\$5 million per project

Section 319/Centennial Grants

\$250,000 per project if 25% match is cash + in-kind, etc.

\$500,000 per project if 25% match is cash



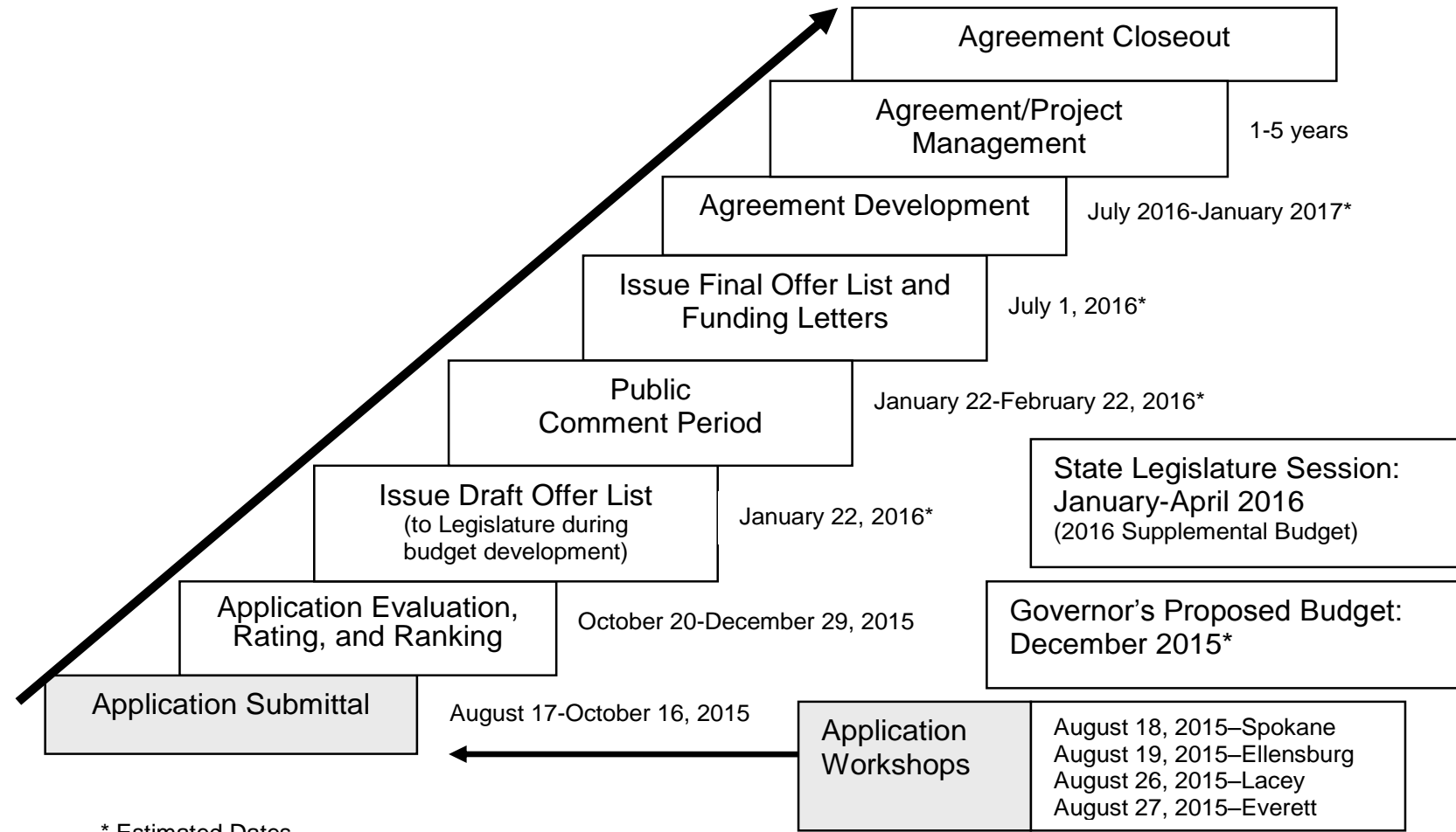
Match Requirements

Source	Match
CWSRF Loans—Any project	None
SFAP Grants—Non-hardship	25%
SFAP Grants—Hardship	15%
Centennial Grants—Nonpoint	25%
Centennial Grants—OSS Repair & Replacement Programs	50%
Centennial Grant—Hardship Wastewater Facilities	0%
Section 319 Grant – Nonpoint	25%



SFY17 Funding Cycle

Fiscal Year 2017 Annual Water Quality Funding Cycle Process Steps



* Estimated Dates



Key Dates



- **October 16, 2015: applications via EAGL due – by 5:00pm**
- **January 22, 2016: Draft Funding Offer List**
- **April 2016: Supplemental Budget**
- **July 1, 2016: Final Funding List, formal offers, \$ available**
- **January 31, 2017: agreements signed**
- **April 30, 2017: work underway**
- **July 1, 2019: activity projects completed**
- **July 1, 2021: facility projects completed**



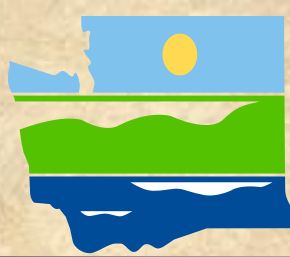
Rating Criteria & Points

Scored Form	Points Available	Points Required
Scope of Work - Additional Tasks Form	0 – 75	---
Project Schedule Form	0 – 100	---
Task Costs/Budget Form	0 – 135	---
Additional Funding Information Form	0 – 15	---
Project Team Form	0 – 65	---
Project Planning and Development Form	0 – 60	---
Water Quality and Public Health Improvements Form	0 – 500	250
Financial Hardship Form	0 or 50	---
Total	0 – 1,000	600



For Additional Information

- <http://www.ecy.wa.gov/programs/wq/funding/funding.html>
- <http://www.ecy.wa.gov/programs/wq/funding/cycles/FY2017/index.html>
- <http://www.ecy.wa.gov/programs/wq/funding/Res/Resources.html>



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QUESTIONS?